Stryker

Kevin A. Lobo
Chairman and Chief Executive Officer

Disclaimer

Forward-looking statement

This presentation contains information that includes or is based on forward-looking statements within the meaning of the federal securities law that are subject to various risks and uncertainties that could cause our actual results to differ materially from those expressed or implied in such statements. Such factors include, but are not limited to: weakening of economic conditions that could adversely affect the level of demand for our products; pricing pressures generally, including cost-containment measures that could adversely affect the price of or demand for our products; changes in foreign exchange markets; legislative and regulatory actions; unanticipated issues arising in connection with clinical studies and otherwise that affect U.S. Food and Drug Administration approval of new products; changes in reimbursement level from third-party payors; a significant increase in product liability claims; the ultimate total cost with respect to the Rejuvenate and ABG II matter; the impact of investigative and legal proceedings and compliance risks; resolution of tax audits; the impact of the federal legislation to reform the United States healthcare system; changes in financial markets; changes in the competitive environment; our ability to integrate acquisitions; and our ability to realize anticipated cost savings. Additional information concerning these and other factors is contained in our filings with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

2016 preliminary net sales, organic sales growth and earnings guidance

Information set forth in this presentation with respect to 2016 Net Sales and Organic Sales Growth is preliminary as set forth in our press release dated January 10, 2017. As set forth in the press release we expect 2016 adjusted net earnings per diluted share to be at the high end of our previously stated range of $5.75 to $5.80. Because the financial statements for our fourth quarter and year ended December 31, 2016 have not yet been finalized, the information included in this presentation regarding those periods is subject to change and actual results for these periods may differ materially from the expected results.

Non-GAAP financial information

Adjusted Net Earnings per Diluted Share, Organic Sales Growth and adjusted diluted EPS growth as shown in this presentation are non-US GAAP financial measures. Information regarding reconciliations of those non-US GAAP financial measures to the most directly comparable US GAAP financial measures is contained in Appendix A to this presentation. The non-US GAAP financial measures presented are not, and should not be viewed as, substitutes for financial measures required by US GAAP, have no standardized meaning and may not be comparable to the calculation of similar measures of other companies.

stryker

Mission

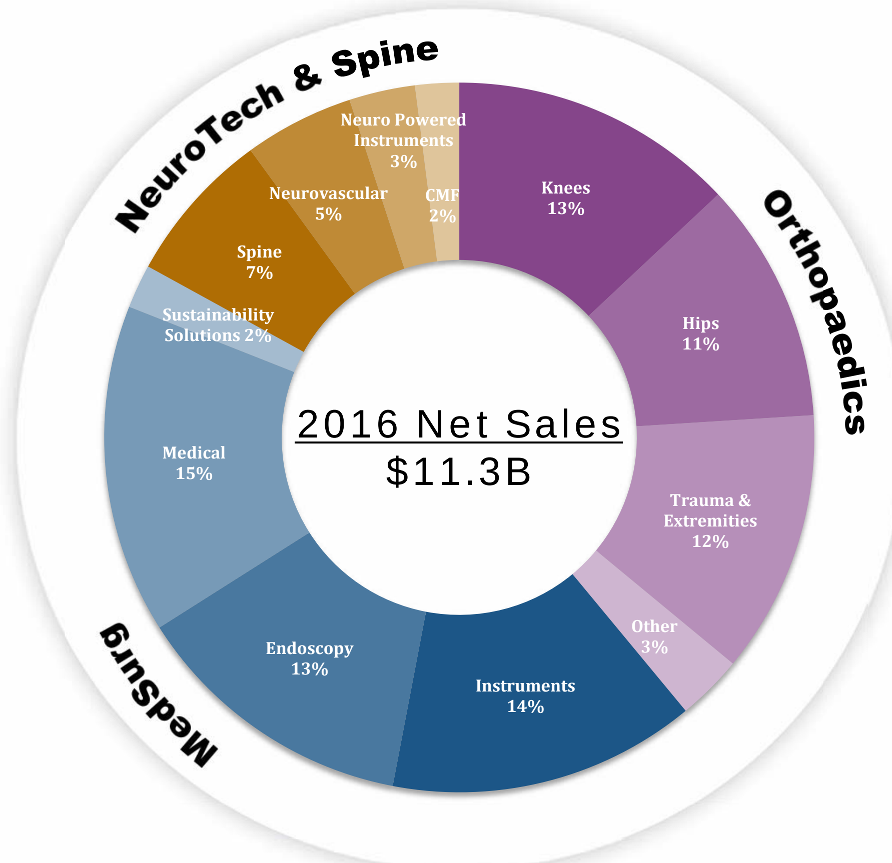
Together with our customers,
we are driven
to make healthcare better.

Values

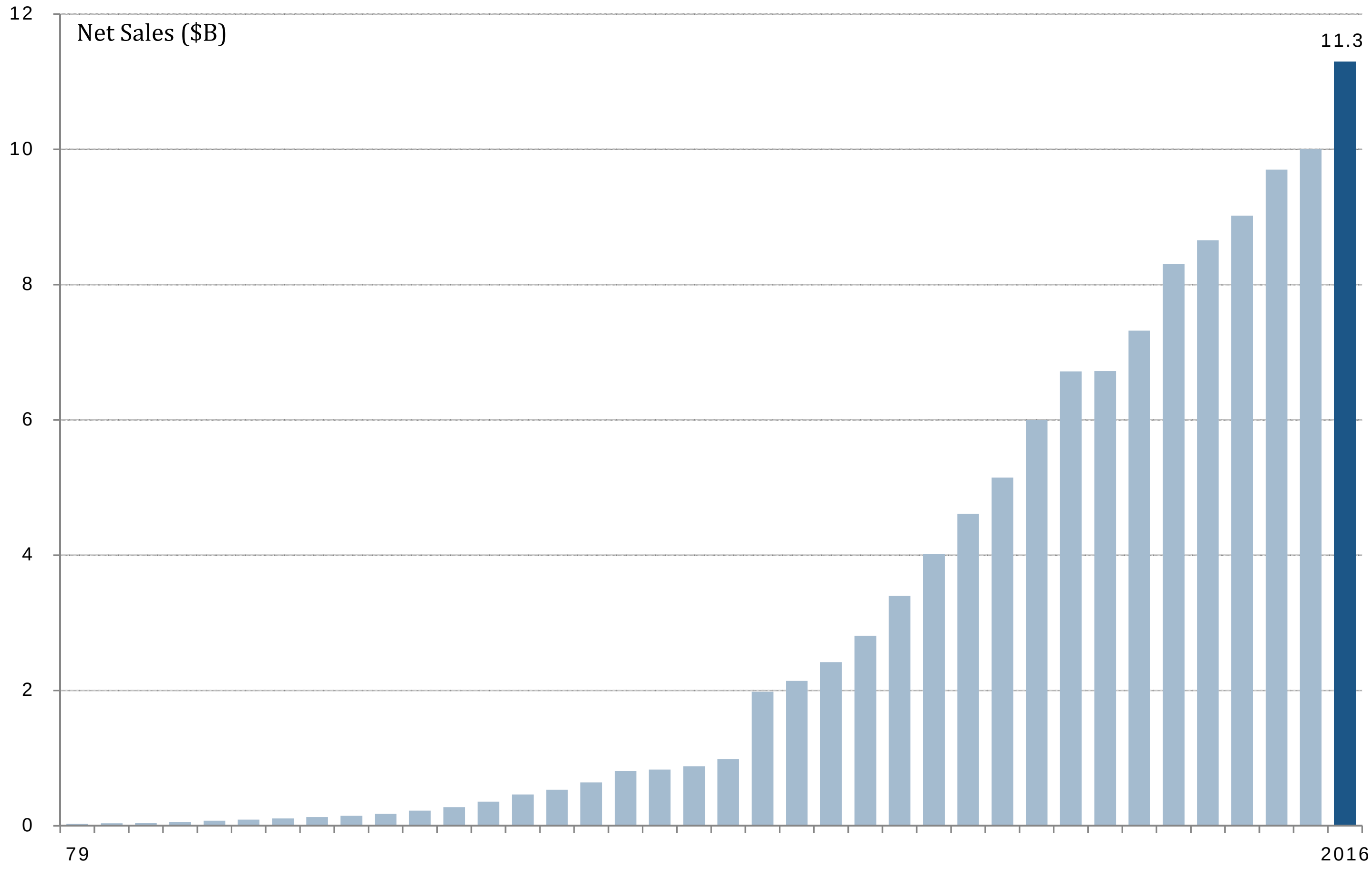
Integrity	Accountability	People	Performance
We do what's right	We do what we say	We grow talent	We deliver

Diverse global medtech leader

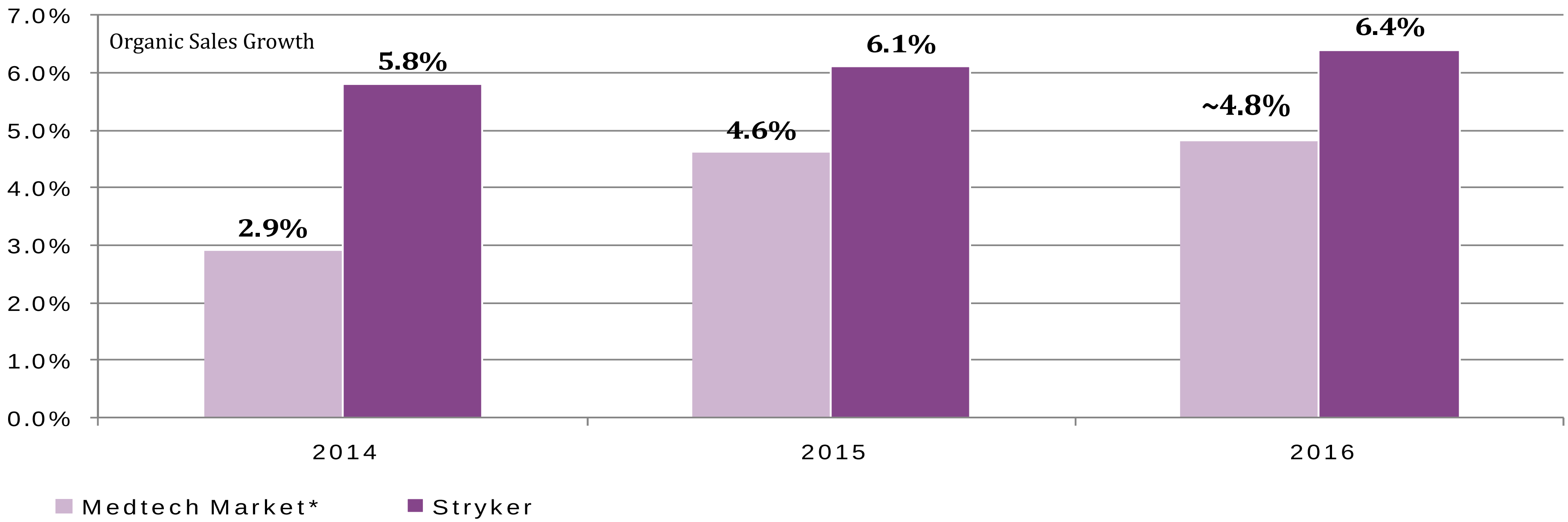
Pursuing global market leadership in three segments



Culture of growth

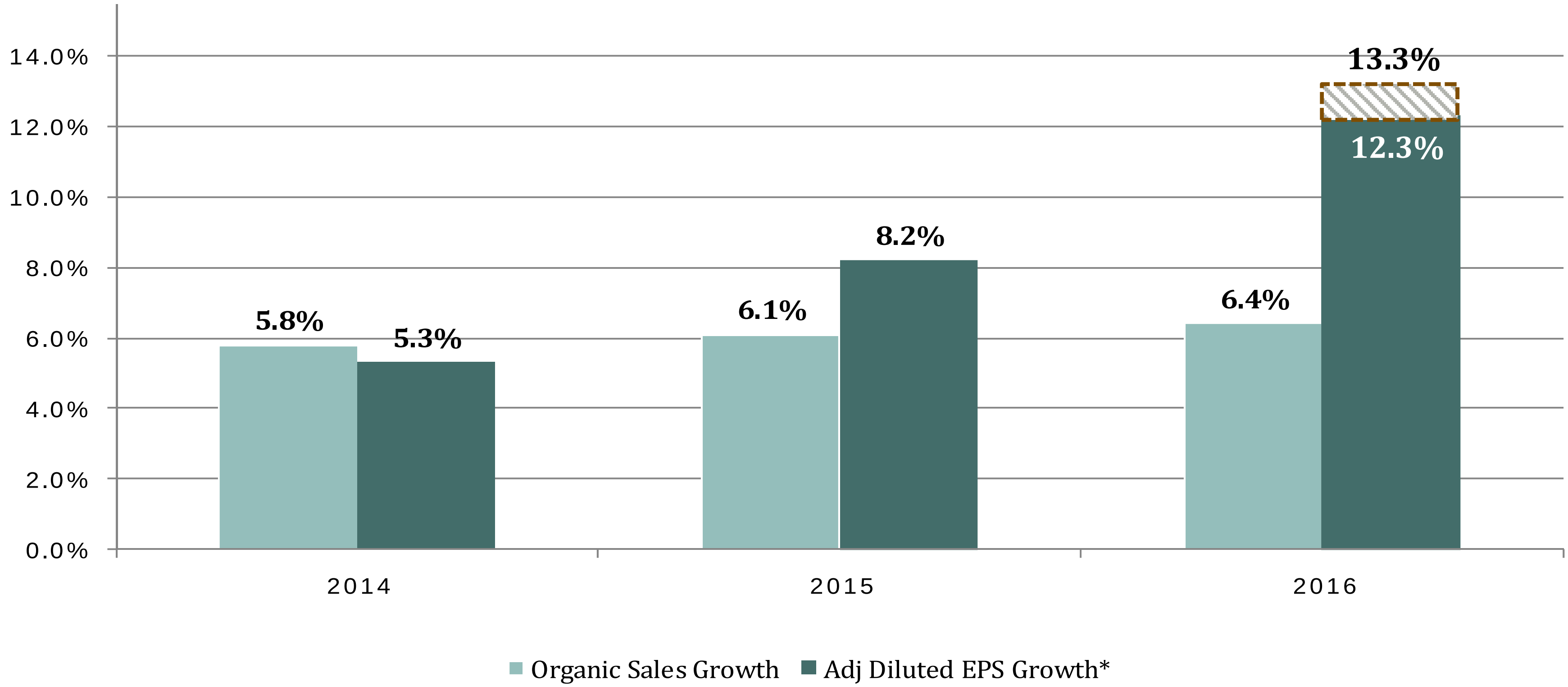


Growth at the high end of Medtech



*Medtech market growth has been compiled by Stryker from financial information and published guidance reported by industry competitors

Delivering leveraged earnings



*Adjusted diluted EPS growth bar for 2016 corresponds with our previously provided EPS range.

2016

preliminary results

FY2016	
+ 6.4%	Organic sales growth
$5.75 to $5.80	Adjusted net earnings per diluted share expected to come in at the high end of our previously stated range of $5.75 to $5.80. Full year negative FX impact of approximately $0.10 to $0.12 per share 4Q negative FX impact of approximately $0.02 to $0.04 per share

2017

Opportunities

- Product introductions across all businesses
- Continued momentum in Europe
- CTG-driven operating leverage improvement

Challenges

- High growth comparables
- Macroeconomic uncertainty
- Foreign exchange

Stryker's core strategies

- Business unit specialization
- Acquisitions
- International growth
- Cost transformation for growth

Business unit specialization

- Enables critical link between customers, sales & marketing, R&D and BD
- Key to driving market share gains and category leadership
- Long history of building specialized sales forces focused on surgeon specialties
- Driving innovation with R&D spending >6% of sales

Business outlook in 2017

- Market leading growth in Orthopaedics:
  2016: net sales $4,422M, organic sales growth 4.8%
  - Mako total knee launch
  - Expanding Tritanium 3D printed product portfolio
  - Continued extremities market expansion and share gain
- Continue category leadership in MedSurg:
  2016: net sales $4,896M, organic sales growth 7.2%
  - Steady innovation & commercial excellence across the group
  - Instruments launching next generation System 8 power tool
  - Sage and Physio contributing to organic growth from Q2
- High growth in Neurotechnology & Spine:
  2016: net sales $2,007M, organic sales growth 8.3%
  - Ongoing expansion of ischemic stroke market
  - Market leading growth in neuro powered instruments & CMF
  - Spine poised for acceleration in 2017, behind new products

Mergers and acquisitions

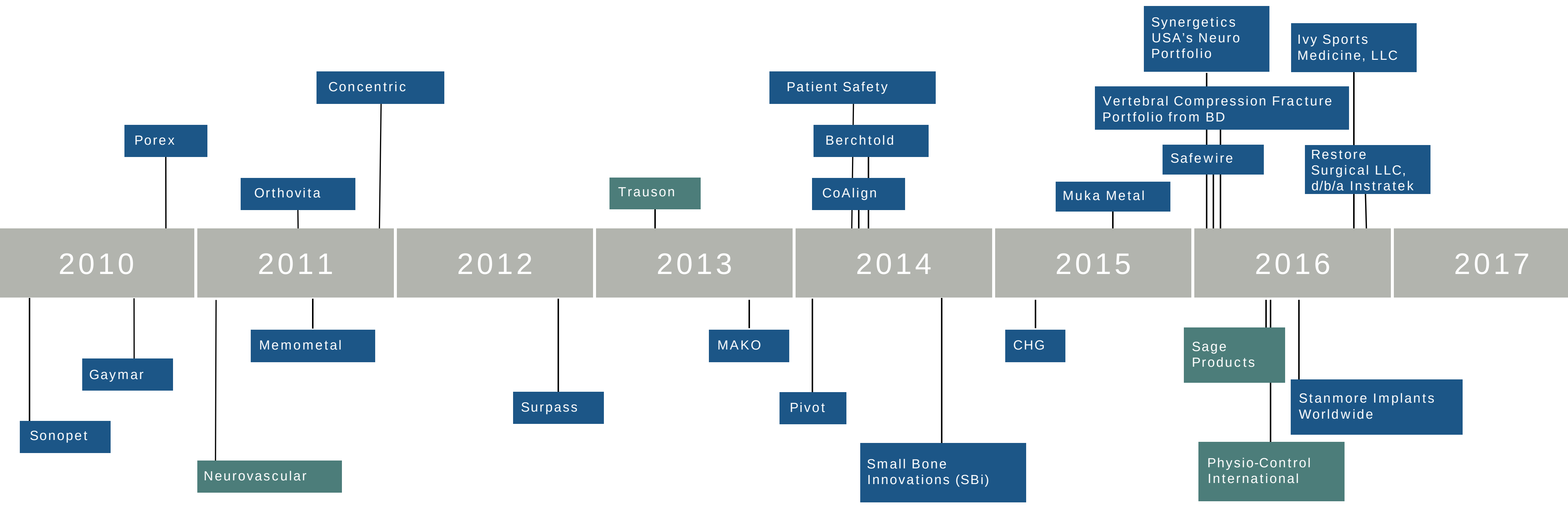
- Capital allocation prioritizes M&A, then dividends and buybacks

- Focus on core and key adjacent markets to drive category leadership

Color key:

Core business

Adjacency



Capital deployment

M&A to drive sales growth and innovation

Focused on driving sales growth in core and adjacent markets

Dividend growth

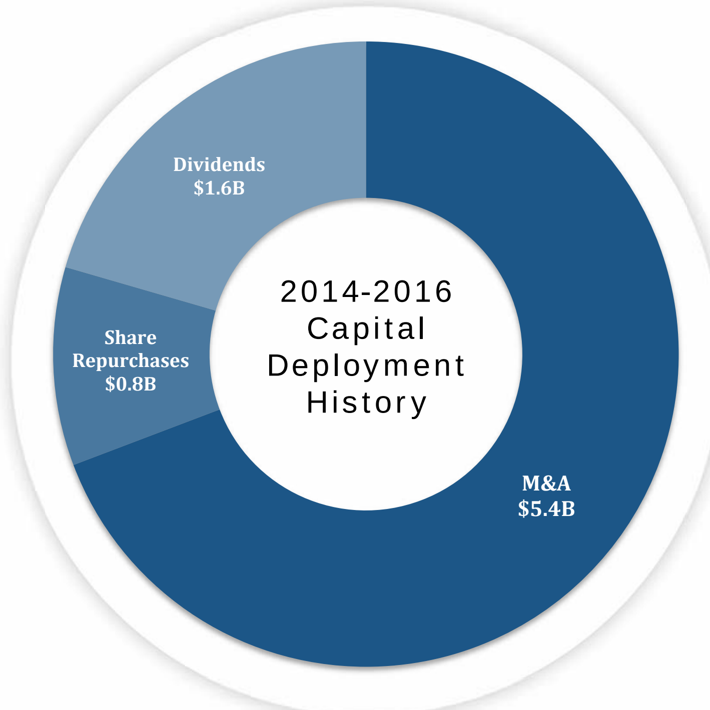
Per Share Dividend CAGR of 15% since 2012

Committed to increasing the dividend in-line with adjusted EPS growth

Share repurchases

2016 repurchases suspended due to Sage and Physio deals

Remaining authorization of $1.9B



International growth

New global operating model driving focus and results

- Strong European momentum continued in 2016
- Canada growth accelerating

EM challenges continue but long-term opportunity remains compelling

- China returned to growth in Q4
- Launch of mid-tier products continues
- More focused strategy (countries and products)

Cost transformation for growth

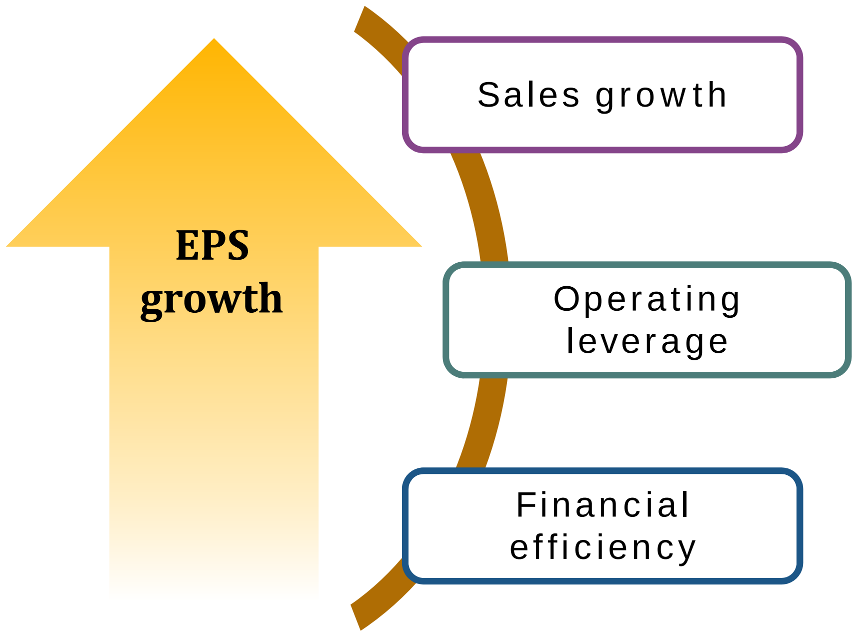
- Product line rationalization
- Indirect procurement
- Common ERP platform
- Expansion of shared services
- Geographic rationalization
- Continued plant network optimization

Long-term sustainable financial targets

Sales growth at the high end of med tech, which allows us to drive…

30 to 50 basis points of annual operating income improvement over the next 5 years, resulting in …

EPS growth of at least 9% annually



Summary

- Talented and experienced leadership across all divisions
- Driving strong organic sales growth, consistently
- Focused on innovation & acquisitions
- Enhancing global presence through focus and alignment
- Delivering leveraged earnings gains
- Effectively deploying capital to enhance shareholder returns

Appendix A

SUPPLEMENTAL INFORMATION - RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

We supplement the reporting of our financial information determined under accounting principles generally accepted in the United States (GAAP) with certain non-GAAP financial measures, including percentage sales growth in constant currency; percentage sales growth in constant currency and excluding the impact of acquisitions; and adjusted net earnings per diluted share. We believe that these non-GAAP measures provide meaningful information to assist shareholders in understanding our financial results and assessing our prospects for future performance. Management believes percentage sales growth in constant currency and the other adjusted measures described above are important indicators of our operations because they exclude items that may not be indicative of or are unrelated to our core operating results and provide a baseline for analyzing trends in our underlying businesses. Management uses these non-GAAP financial measures for reviewing the operating results of reportable business segments and analyzing potential future business trends in connection with our budget process and bases certain management incentive compensation on these non-GAAP financial measures.

To measure percentage sales growth in constant currency, we remove the impact of changes in foreign currency exchange rates that affect the comparability and trend of sales. Percentage sales growth in constant currency is calculated by translating current year results at prior year average foreign currency exchange rates. To measure percentage sales growth in constant currency and excluding the impact of acquisitions, we remove the impact of changes in foreign currency exchange rates and such year’s acquisitions that affect the comparability and trend of sales. Percentage sales growth in constant currency and excluding the impact of acquisitions is calculated by translating current year results at prior year average foreign currency exchange rates excluding the impact of such year’s acquisitions.

Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names. These adjusted financial measures should not be considered in isolation or as a substitute for reported sales growth and net earnings per diluted share, the most directly comparable GAAP financial measures. These non-GAAP financial measures are an additional way of viewing aspects of our operations that, when viewed with our GAAP results and the reconciliations to corresponding GAAP financial measures below, provide a more complete understanding of our business. We strongly encourage investors and shareholders to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure.

STRYKER CORPORATION
For the Three Months and Full Year December 31, 2016
RECONCILIATION OF EXPECTED NET EARNINGS PER DILUTED SHARE TO EXPECTED ADJUSTED NET EARNINGS PER DILUTED SHARE

	Three Months		Full Year	
	Low	High	Low	High
Expected - Reported	**$ 1.27**	**$ 1.38**	**$ 4.28**	**$ 4.39**
Acquisition and integration related charges (a)	0.03	0.01	0.28	0.26
Amortization of purchased intangible assets	0.16	0.16	0.58	0.58
Restructuring-related charges (b)	0.13	0.11	0.27	0.25
Rejuvenate and other recall matters (c)	0.12	0.10	0.34	0.32
Legal matters (d)	—	—	(0.02)	(0.02)
Tax matters (e)	0.02	0.02	0.02	0.02
Expected - Adjusted	**$ 1.73**	**$ 1.78**	**$ 5.75**	**$ 5.80**

(a) *Charges represent certain acquisition and integration related costs associated with acquisitions.*

(b) *Charges represent the cost associated with certain restructuring-related charges associated with workforce reductions, facility rationalizations and other restructuring-related activities.*

(c) *Charges represent changes in our best estimate of the minimum end of the range of probable loss to resolve the Rejuvenate and ABG II recalls.*

(d) *Amount represents a gain associated with a legal settlement in 2016.*

(e) *Charges represent the interest component related to certain discrete tax matters.*